

Calendar No. 491

105TH CONGRESS }
2d Session }

SENATE

{ REPORT
105-261 }

FALLS POINT

R E P O R T

OF THE

**COMMITTEE ON COMMERCE, SCIENCE, AND
TRANSPORTATION**

on

S. 1731



JULY 23, 1998.—Ordered to be printed

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SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

ONE HUNDRED FIFTH CONGRESS

SECOND SESSION

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Mr. MCCAIN, from the Committee on Commerce, Science, and
Transportation, submitted the following

REPORT

[To accompany S. 1731]

The Committee on Commerce, Science, and Transportation, to which was referred the bill (S. 1731) “A Bill [Act] to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel FALLS POINT”, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

PURPOSE OF THE BILL

S. 1731, as reported, grants coastwise trading privileges to the vessel FALLS POINT.

BACKGROUND AND NEEDS

Subject to certain limited exceptions, the law known as the Jones Act (section 27 of the Merchant Marine Acts of 1920), section 8 of the Act of June 19, 1886, and sections 12106 and 12108 of title 46, U.S. Code, provide that only those vessels built in the United States, continuously documented under the laws of the United States and continuously owned by U.S. citizens may transport merchandise or passengers in the coastwise trade, or engage in the fisheries, of the United States.

Where the facts applicable to a particular vessel suggest the U.S.-built or U.S.-owned requirements have not been satisfied, the Coast Guard may not issue a document granting coastwise trading or fisheries privileges for that vessel unless the requirements of those Acts are statutorily waived.

The vessel FALLS POINT, United States official number 346217, is a 40-foot fishing vessel that was constructed in Canada in 1973. It is owned by Mr. Carter V. C. Becker of Freeport, ME. The owner intends to use the vessel to carry freight in Casco Bay, ME.

Because the vessel is foreign-built, the owner has not been able to obtain coastwise trade privileges for it. Therefore, the owner is seeking a statutory waiver of the Jones Act for the vessel.

LEGISLATIVE HISTORY

S. 1731 was introduced in the Senate on March 9, 1998, by Senator Snowe. In open executive session on March 12, 1998, the Committee considered S. 1731, and ordered the legislation reported favorably without objection and without amendment.

ESTIMATED COSTS

In accordance with paragraph 11(a) of rule XXVI of the Standing Rules of the Senate and section 403 of the Congressional Budget Act of 1974, the Committee provides the following cost estimate, prepared by the Congressional Budget Office:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 27, 1998.

Hon. JOHN MCCAIN,
*Chairman, Committee on Commerce, Science, and Transportation,
U.S. Senate, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed S. 1731, a bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel FALLS POINT. S. 1731 was ordered reported by the Senate Committee on Commerce, Science, and Transportation on March 12, 1998.

CBO estimates that enacting S. 1731 would have no significant impact on the federal budget. Because the bill would not affect direct spending or receipts, pay-as-you-go procedures would not apply. S. 1731 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act of 1995 and would not affect the budgets of state, local, or tribal governments.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Deborah Reis.

Sincerely,

JUNE E. O'NEILL, *Director.*

REGULATORY IMPACT STATEMENT

In accordance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee provides the following evaluation of the regulatory impact of the legislation, as reported:

Because S. 1731 does not create any new programs, the legislation will have no additional regulatory impact, and will result in no additional reporting requirements. The legislation will have no further effect on the number or types of individuals and businesses regulated, the economic impact of such regulation, the personal pri-

vacy of affected individuals, or the paperwork required from such individuals and businesses.

SECTION-BY-SECTION ANALYSIS

The bill consists of one section. It provides that, notwithstanding section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), section 8 of the Act of June 19, 1886 (46 U.S.C. App. 289), and sections 12106 and 12108 of title 46, United States Code, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel FALLS POINT, United States official number 346217.

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, the Committee states that the bill as reported would make no change to existing law.

